

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)
Implementation of Section 621(a)(1) of)
the Cable Communications Policy Act of 1984) MB Docket No. 05-
311
as amended by the Cable Television Consumer)
Protection and Competition Act of 1992)

**COMMENTS OF THE INTERGOVERNMENTAL
CABLE COMMUNICATIONS AUTHORITY**

These Comments are filed by the Intergovernmental Cable Communications Authority (ICCA) in support of the comments filed by the National Association of Telecommunications Officers and Advisors ("NATOA"). Like NATOA, ICCA believes that local governments can issue an appropriate local franchise for new entrants into the video services field on a timely basis, just as they have for established cable services providers. In support of this belief, we wish to inform the Commission about the facts of video franchising in our community.

Cable Franchising in Our Community

Community Information

The ICCA is a consortium of eleven (1) municipalities, consisting of the Cities of Auburn Hills, Berkley, Clawson, Ferndale, Huntington Woods, Pleasant Ridge, Rochester, Rochester Hills, Royal Oak, and Troy Michigan, and the Township of Oakland, Michigan. The ICCA is a creation of the Cable Act found at 47 USC §521 et seq. and is authorized by Article VII, Section 28 of the Michigan Constitution of 1963 and the Urban Cooperation Act of 1967, M.C.L.A. §124.501 et seq.; MSA §5.4088. Our franchised cable providers are Comcast Cablevision of the South, Inc, (Comcast), and WideOpen West Michigan, LLC (WOW).

Our Current Franchise

COMCAST

Our current franchise with Comcast expires on July 1, 2012. Under the statutory timeline laid out in the Federal Cable Act, the cable operator has a 6-

month window beginning 36 months before the expiration of the franchise in which to request a renewal under the Federal Act. As a result, at this time we are not currently negotiating a franchise renewal with the incumbent provider.

Fees:

Our franchise with Comcast requires the cable operator to pay a franchise fee to the ICCA in the amount of 5% of the cable operator's revenues. The revenues for franchise fee purposes are calculated based on the gross revenues of the operator, in accordance with the Federal Cable Act.

PEG Support:

We require the cable operator to provide the following capacity for public, educational, and/or governmental ("PEG") access channels on the cable system. We currently have 1 channel (or capacity) devoted to public access; 1 channel (or capacity) devoted to educational access; and 1 channel (or capacity) devoted to government access.

Our franchise requires that Comcast support our PEG channels through quarterly payments to the ICCA in an amount equal to one percent (1%) of Comcast's Gross Revenues, in addition to the 5% franchise fee. Comcast also offered, and the ICCA accepted, Comcast's offer to convey, free and clear of all liens and security interests, all of the PEG equipment, including two (2) mobile vans and the public access equipment inside each van.

The benefit of having local control over franchising allowed Comcast to offer, and for the ICCA to accept, Comcast's offer to publicize a list of the PEG channels in all print and cablecast program guides. Additionally, Comcast offered to pay \$10,000.00 each time one or more PEG channels are relocated. Five Thousand of that \$10,000.00 shall be expended by Comcast to advertise and publish the channel changes on the cable system and through bill stuffers. The second \$5,000.00 shall be made available to the affected ICCA member(s) for use in advertising the new channel location.

I-NET:

Our franchise with Comcast provides for the construction of an institutional network ("I-Net"). Through local control of franchising, Comcast agreed to connect 63 locations served by the ICCA. The I-Net consists of the I-Net and residential networks into a new "PEG-NET", consisting of a combination of fiber optics and coaxial cables. The PEG-NET allows for a video playback site that is able to both send and receive. Other sites allow for the transmission and receipt of data.

Comcast agreed to provide the pipeline for PEG-NET and transmission equipment including one modulator for each of the video sites and transmitter and receivers.

Comcast also agreed in the franchise agreement that they would replace or insure functionality of the modulators at each of the video sites in the PEG-NET. Comcast is required to maintain the modulators and demodulators at the headend. We use our I-Net facilities to communicate with the following entities:

ACE Alternative High School	Royal Oak City Hall
AH City Hall	Royal Oak Ice Arena
Avery Elementary.	Royal Oak Library
Avondale High School	Royal Oak - Oakland Elementary
Berkley City Hall	Royal Oak School - Dondero High
Berkley High	Royal Oak School - Kimball High
Berkley School Admin	Royal Oak School Maintenance
Berkley School Anderson	Rochester Brewster Elementary.
Berkley School Angell	Rochester City Hall
Berkley School Burton	Rochester Hills City Hall
Berkley School Pattengill	Rochester Adams High School.
Berkley School Rogers	Rochester Baldwin Elementary
Birmingham School MediaOne	Rochester Brookland Elementary.
Clawson City Hall	Rochester Hamlin Elementary
Clawson Middle School	Rochester Hampton Elementary.
Clawson School Admin	Rochester Hart Middle School
Clawson School High	Rochester Hugger Elementary
Ferndale High	Rochester Long Meadow Elementary
Ferndale City Hall	Rochester McGregor Elementary
HW City Hall	Rochester Meadowbrook Elementary
Oakland County Jail	Rochester Musson Elementary
Oakland Intermediate School	Rochester North Hill Elementary
Oakland Road Commission	Rochester Reuther Middle School
Oakland Twp Hall	Rochester University Hills Elementary.
Oakland University	Rochester Van Hoosen Mid. School
Oakland Community College - Auburn Hills Campus	Rochester West Middle School
Oakland Community College- Royal Oak Campus	Rochester High School
PR Hall	Rochester Hills BOE
Rd. Comm. Big Beaver	Troy City Hall
Rd. Comm. I-75	Troy District Court
Rd. Comm. Long Lake	Troy School Big Beaver
	Warren School MediaOne

EAS System:

Our franchise with Comcast contains the following requirements regarding emergency alerts: Comcast without charge agreed to install as a part of its Cable System, and also agreed to operate throughout the Term, an Emergency Alert System (EAS) (or successor to that system) in accordance with all requirements imposed from time to time by the FCC, including, without limitation, the requirements that cable television systems transmit a visual EAS message on at least one channel (47 C.F.R. § 11.51(g)(3)) and that cable systems also provide video interruption and audio EAS message on all channels, with the audio message further stating which channel is carrying the visual message (C.F.R. § 11.51(g)(2)).

In establishing the EAS system pursuant to the franchise, Comcast agreed to:

1. Designate a channel (which may be the government channel), which will be used for emergency broadcasts of both audio and video;
2. Inform customers of the designated emergency channel at least daily on at least one channel (which may be the government channel) of the multi-channel system;
3. Test the emergency override system not less than every three months;
4. Maintain all channel text crawl capability able to be activated remotely by security measures deemed mutually agreeable by Municipality and Franchisee;
5. Cooperate with Municipality on the use and operation of the emergency alert override system; and
6. Maintain the capacity to permit Municipality in time of emergency the ability to inform viewers on all channels (such as by text crawl) to which channel to tune to receive emergency information in a manner, which does not conflict with Federal EAS regulations.

These emergency alert requirements provide an important avenue of communication with our residents in the event of an emergency.

Customer Service Standards:

Our franchise contains the following customer service obligations, by which we are able to help ensure that the cable operator is treating our residents in accordance with federal standards and the terms it agreed to in its franchise.

1. **Customer Service Standards:** Company shall at all times comply with the customer service and consumer protection provisions of the Consumer Protection Ordinance (the pertinent provisions of which are attached as Exhibit K and incorporated herein as if set forth at length), this Franchise, or those from time to time adopted by the FCC. This requirement is in addition to the specific provisions of subsequent sections of this Part 4.
2. **Undergrounding:** For new installations, if a subscriber requests underground cable service, Company may charge the subscriber the differential between the cost of aerial and underground installation of the drop to the subscriber. This provision shall not apply where undergrounding is required by Municipal ordinance or policy for all utilities.
3. **Lockout Device:** Company shall provide all subscribers with the option of obtaining a device by which the subscriber can prohibit the viewing of a particular cable service during periods selected by the subscriber.
4. **Pay Per View:** Subscribers shall be given the option of not having pay per view or per program service available at all or only having such service provided upon the subscriber providing a security number selected by an adult representative of subscriber.
5. **Blocking:** Upon request by a subscriber, Company shall entirely block such subscriber from receiving both the audio and video portion of a channel. Scrambling of the signal shall be insufficient to comply with this provision.
6. **Program Guide:** Upon request, Company will provide subscribers with a periodic (e.g. --monthly) written or electronic program guide listing the specific programs available, their times and (when applicable) ratings.
7. **Converters:** Company shall make available to subscribers the converter equipment necessary for subscribers (such as those with “non-cable ready” television sets) to receive the services offered by Company.

8. Negative Options: Company will not engage in the practice of “negative option” marketing, and will not charge a subscriber for any service which the subscriber has not affirmatively requested.

9. Office/Home Delivery-Pick Up:

9.1. Company shall maintain conveniently located bill payment offices within the combined corporate limits of ICCA’s member communities where subscribers may pay their bills. Such offices shall be open at least from 9 AM to 5 PM, Monday through Friday and 10 AM to 4 PM on Saturday, excluding holidays.

9.2. Company at no charge to subscribers shall pick up and deliver converter boxes, remotes, and similar Company provided customer premises equipment. Under Normal Operating Conditions, such deliveries and pick-ups shall occur within 48 hours of a subscriber request.

9.3. Company may not refuse installations for subscriber with other than a “standard install” where the subscriber is willing to pay the additional charges from Company for such non-standard installations.

10. PEG Signal Quality: The PEG channel delivery system from the signal input points and remote signal input points described in Part 5 shall meet the same technical standards as the remainder of the Cable System.

11. Payment Options: Company will provide all subscribers with the option of paying for service by (1) cash, (2) check, (3) credit card, or (4) an automatic payment plan, where the amount of the bill is automatically deducted from a checking account designated by the subscriber.

12. Refunds: Refund checks will be issued promptly, but no later than either:

12.1. The subscriber's next billing cycle following resolution of the request or thirty (30) days, whichever is earlier, or

12.2. On return of equipment owned by Company if service is terminated.

13. Credits: Credits for service will be issued no later than the subscriber's next billing cycle following a determination that a credit is warranted.

14. Privacy and Monitoring: Company shall not tap or monitor, or arrange for the tapping or monitoring, or permit any other person to tap or monitor, any cable, line, signal, input device, or subscriber facility for any purpose, without the written authorization of the affected subscriber. Such authorization shall be revocable at any time by the subscriber without penalty by delivering a written notice of revocation to Company; provided, however, that Company may conduct Cable System-wide or individually addressed "sweeps" solely for the purpose of verifying Cable System integrity, checking for illegal taps or billing.

15. Subscriber Information: Company shall comply with all Federal requirements regarding its not recording or retaining any information as to the programming actually watched by a subscriber, other than accounting records and not selling or otherwise providing to other persons other than its affiliates or agents, without the specific written authorization of the subscriber involved lists of some or all the names and addresses of subscribers.

16. Complaints Referred by Municipality: If Municipality refers a complaint from a subscriber to Company for resolution, then within five (5) business days Company shall investigate (including attempting to contact the subscriber) and respond to Municipality as to its proposed resolution of same, and shall have an additional five (5) business days if Municipality requests a written response.

17. Reports: If there is a pattern of complaints about telephone response then Company shall provide reports to Municipality quarterly as follows.

17.1. The reports shall be in a form acceptable to the Municipality, showing on a consistent basis, fairly applied the matters set forth below so as to measure Company's compliance with the standards of the referenced sections. Such reports shall show Company's performance excluding periods of abnormal operating conditions, and if Company contends any such conditions occurred during the period in questions, it shall also describe the nature and extent of conditions and show Company's performance both including and excluding the time periods Company contends such conditions were in effect.

17.2. The reports shall show the number of phone calls originating from within Municipality (or other appropriate area for which telephone records are reasonably available) and measure Company's compliance with the standards of the Consumer Protection Ordinance.

18. **FCC Technical Standards:** The following shall apply to Company's implementation of and compliance with the rules and regulations relating to cable television technical standards for signal quality, currently set forth at 47 CFR §76.601 and following, and subsequent amendments and in accordance with Exhibit J.

18.1. Company shall provide Municipality with a report of testing for compliance with such standards upon request if there is reasonable evidence of non-compliance with the preceding standards. Such report shall state, in pertinent part, that the person doing the testing has been provided a copy of and reviewed the rules and regulations of the FCC, the FCC order(s) adopting such rules and regulations, and all industry standards and other materials referenced therein; and that such testing when done fairly, in full compliance with the FCC rules and regulations, shows full compliance with such rules and regulations; or in the alternative setting forth with specificity and in detail all areas of non-compliance, their actual or likely scope and causes, and their professional recommendation of the best corrective measures to immediately and permanently correct the non-compliance.

18.2. Company shall establish a procedure for resolving complaints from subscribers about the quality of the television signal delivered to them. All complaints shall go initially to Company.

18.3. Company shall annually notify its subscribers of the preceding.

18.4. Municipality at its expense upon 30 days notice to Company may test the Cable System for compliance with the FCC technical standards. Company will reimburse Municipality for the full expense of any test which shows a material non-compliance with such standards.

Universal Service:

Our franchise with Comcast requires that Comcast currently provide service to the entire area of our communities represented by the ICCA. The franchise states that Comcast shall provide cable service to any and all persons requesting same at any location within the Authorized Area, subject to any applicable line extension charge.

Insurance:

Our franchise with Comcast contains the following insurance and bonding requirements:

- That the member communities shall not be liable for injury or damage from any cause whatsoever arising out of the operator's construction, maintenance, repair, use, operation, condition or dismantling of the cable system.
- That the operator shall, at its sole cost and expense, indemnify and hold harmless the municipalities from:
 - Any and all liability, obligation, damages, penalties, claims, liens, costs, charges, losses and expenses, including reasonable attorney, expert witnesses and consultant fees and costs, incurred by reason of any act or omission of the operator or its employees and agents.
 - That in the event of any action shall be brought against the ICCA or a member community, the operator, upon receiving notice from one of the indemnitees, shall, at its sole cost and expense, defend the same on behalf of the indemnitee.
 - That the indemnitee shall provide prompt notice of any action resulting from the franchise, and shall cooperate with the operator in the defense thereof.
 - That during the term of the franchise, the operator shall maintain in full force and effect, and at its sole cost and expense, insurance in the following form:
 - Worker's Compensation within statutory limits,
 - Comprehensive commercial general liability insurance with minimum limits of \$3,000,000.00,
 - Broadcasters liability coverage with minimum limits at \$3,000,000.00,

- Automobile liability insurance with minimum limits of \$2,000,000.00,
- That the ICCA and the member communities shall be named as additional insureds.
- That the operator shall provide a certificate of insurance as proof of coverage,
- That the operator provide 30-day prior notice of any cancellation or replacement of the insurance,
- That the operator shall obtain the insurance coverage required by the franchise from insurers licensed to do business in the state of Michigan and rated A+ or better by A.M. Best Company.

Other Permits:

The cable franchise granted to Comcast grants the Comcast access to the public rights of way and compatible easements for the purpose of providing cable television service. Apart from the franchise, Comcast is required to obtain a permit from the appropriate municipal office as well before it may access the public rights of way. The operator is not relieved of the obligation to obtain permits, licenses and other approvals which are required for the construction, repair, or maintenance of the cable system or provision of cable services, including municipal codes and ordinances, zoning ordinances, pavement cut ordinances, curb cut permits and building permits and the like.

Enforcement Provisions:

The franchise agreement with Comcast provides for the following enforcement mechanisms by which we are able to ensure that the cable operator is abiding by its agreement:

- The municipalities have the right to inspect all construction or installation work and to make such tests as it deems necessary to ensure compliance with the terms of the franchise, municipal code or other pertinent provisions of law.
- The ICCA or the municipalities may audit the operator to verify the accuracy of franchise fees paid.

- In the event of a default in the terms and conditions of the agreement by the operator, the franchise provides for various remedies to the ICCA and the member communities. The remedies include, but are not limited to the following:
 - Civil suit for damages;
 - Injunctive relief or specific performance;
 - The imposition of liquidated damages of up to \$1,000.00 per day for each day or partial day of default;
 - For a material violation, termination of the franchise.
 - Complaints from subscribers are directed to the ICCA, and the ICCA works to resolve any problems on an ongoing basis.

WIDEOPEN WEST

Our current franchise with WideOpen West (WOW) began on July 31, 1997 and expires on July 1, 2012. Under the statutory timeline laid out in the Federal Cable Act, the cable operator has a 6-month window beginning 36 months before the expiration of the franchise in which to request a renewal under the Federal Act. As a result, at this time we are not currently negotiating a franchise renewal with the incumbent provider.

Fees:

Our franchise with WOW requires the cable operator to pay a franchise fee to the ICCA in the amount of 5% of the cable operator's revenues. The revenues for franchise fee purposes are calculated based on the gross revenues of the operator, in accordance with the Federal Cable Act.

PEG Support:

We require WOW to provide the following capacity for public, educational, and/or governmental ("PEG") access channels on the cable system. We currently have 1 channel (or capacity) devoted to public access; 1 channel (or capacity) devoted to educational access; and 1 channel (or capacity) devoted to government access.

Our franchise with WOW requires that our PEG channels be supported by WOW through quarterly payments by WOW to the ICCA in an amount equal to one percent (1%) of WOW's Gross Revenues. Of the eleven municipalities that comprise the ICCA, at least two of them were able to obtain additional financial support for the PEG channels. WOW agreed to award the City of Royal Oak a grant in the amount of \$120,000, to be used by the Authority to obtain equipment for its PEG channels and/or PEG Center. WOW also awarded the City of Clawson a similar grant in the amount of \$120,000 to be use by the Authority for the same purposes.

The grants were to be paid within thirty days of execution of the franchise. These grants would not have been possible but for the ability of the local franchising authority having local control of the franchising process.

I-NET:

Our franchise with WOW contains the requirement that WOW construct an institutional network ("I-Net"). There are approximately 135 I-Net connections between the various communities served by WOW.

Rochester Hills City Hall	Royal Oak City Hall
Rochester Hills Public Safety	Royal Oak Ice Arena
Roch. Hills Fire Station #1	Royal Oak Library
Roch. Hills Fire Station #2	Royal Oak - Oakland Elementary
Roch. Hills fire Station #3	Royal Oak School - Dondero High
Roch. Hills fire Station #4	Royal Oak School - Kimball High
Roch. Hills fire Station #5	Royal Oak School Maintenance
52/3 District Court	Royal Oak Senior/Community Center
Rochester Baldwin Elementary	Royal Oak Police Station
Rochester Brookland Elementary.	Royal Oak Dept. of Public Service
Rochester Hamlin Elementary	Royal Oak Fire Station HQ
Rochester Hampton Elementary	Royal Oak Fire Station #3
Rochester Long Meadow Elementary	Royal Oak Fire Station #4
Rochester Meadowbrook Elementary	Royal Oak Mall between Library and City Hall
Rochester North Hill Elementary	Royal Oak Memorial Park
Rochester University Hills Elementary	44 th District Court
Rochester Hart Middle School	Oakland Community College – R.O. Campus
Rochester Reuther Middle School	17 Royal Oak Middle/Elementary Schools
Rochester West Middle School	Berkley City Hall
Rochester Van Hoosen Mid. School	Berkley Community Center
Rochester Adams High School	Berkley Library
Rochester A.C.E. High School	Berkley Department of Public Safety
Rochester High School	45 B District Court-Berkley
Rochester R.A.C.E.	Berkley School Board Office
Varner Hall at Oakland University	Berkley High School
Avondale Deerfield Elementary School	Berkley School Angell
Avondale Stiles Elementary School	Berkley School Pattengill
Avondale Meadows Upper Elementary School	Berkley School Rogers
Avondale Middle School	Berkley School Burton
Ferndale City Hall	Huntington Woods City Hall
Ferndale Senior Center	Huntington Woods Public Safety
Ferndale Police Department	Huntington Woods Public Works
Ferndale Fire Station #1	Huntington Woods Public Library

Ferndale Fire Station #2	Huntington Woods Recreation Center
Ferndale City Yard Site A	Pleasant Ridge City Hall
Ferndale City Yard Site B	Pleasant Ridge Police Department
Ferndale Library	Pleasant Ridge Community Center
43 rd District Court-Ferndale	Clawson City Hall
Ferndale High	Clawson Library
Ferndale Schools Board Office	Clawson Community Center
Ferndale Adult Education	Clawson Police Department
10 Jr. Highs and Elementary Schools	Clawson Fire Department
Webb Jr. High School	Clawson Department of Public Works
Clark Elementary School	Clawson School High
Edison Elementary School	Clawson School Admin
Jardon Vocational School	4 Clawson Elementary and Middle Schools

EAS System:

Our franchise with WOW contains the following requirements regarding emergency alerts: WOW without charge agreed to install as a part of its Cable System, and also agreed to operate throughout the Term, an Emergency Alert System (EAS) (or successor to that system) in accordance with all requirements imposed from time to time by the FCC, including, without limitation, the requirements that cable television systems transmit a visual EAS message on at least one channel (47 C.F.R. § 11.51(g)(3)) and that cable systems also provide video interruption and audio EAS message on all channels, with the audio message further stating which channel is carrying the visual message (C.F.R. § 11.51(g)(2)).

In establishing the EAS system pursuant to the franchise, WOW agreed to:

1. Designate a channel (which may be the government channel), which will be used for emergency broadcasts of both audio and video;
2. Inform customers of the designated emergency channel at least daily on at least one channel (which may be the government channel) of the multi-channel system;
3. Test the emergency override system not less than every three months;
4. Maintain all channel text crawl capability able to be activated remotely by security measures deemed mutually agreeable by Municipality and Franchisee;
5. Cooperate with Municipality on the use and operation of the emergency alert override system; and

6. Maintain the capacity to permit Municipality in time of emergency the ability to inform viewers on all channels (such as by text crawl) to which channel to tune to receive emergency information in a manner, which does not conflict with Federal EAS regulations.

These emergency alert requirements provide an important avenue of communication with our residents in the event of an emergency.

Customer Service Standards:

Our franchise with WOW contains the following customer service obligations, by which we are able to help ensure that the cable operator is treating our residents in accordance with federal standards and the terms it agreed to in its franchise.

- The cable operator is required to adhere to the most stringent customer service and consumer protection standards of the franchise, local ordinance and the FCC.
- The franchise requires the operator, for new installations, if the subscriber requests underground installation of the drop to the subscriber, to charge the differential between the cost of aerial and underground installation.
- The franchise requires the operator to provide all subscribers with the option of obtaining a device by which the subscriber can prohibit the viewing of a particular cable service during periods selected by the subscriber.
- The franchise requires that the operator shall give the subscriber the option of either having or not having pay-per-view programming available.
- The franchise also requires the operator, upon the request of the subscriber, to scramble the audio and video portion of a pay-per-view channel, at no charge to the subscriber.
- The operator is also required to provide written notice at the time of installation and/or reinstallation regarding products and services offered, prices (rates) and options for cable services, installation and service maintenance policies as well as instructions on how to use the cable service.
- The operator is also required to provide written notice to the subscribers regarding channel positions and billing and complaint procedures, including the address and phone number of the person at the ICCA responsible for receiving billing and other complaints.

- The operator is required under the franchise to provide written notice to the subscribers and the ICCA of any changes in rates, cable services or channel positions as soon as possible.

The franchise agreement contains several requirements for the operator related to telephone service standards. The standards that the operator agreed to are as follows:

- That the operator shall have a local or toll-free telephone number available for use by subscribers toll-free during regular business hours.
- That the operator shall have a staffed emergency toll-free telephone line on a 24 hour basis, including weekends and holidays.
- That the telephone number for the operator shall be listed, with appropriate explanations, in the directory published by the local telephone company.
- That the operator shall have representatives available to respond to subscriber telephone inquiries during normal business hours.
- Under normal operating conditions, telephone answer time by a customer representative, including wait time, shall not exceed thirty (30) seconds from when the connection is made. This standard shall be met no less than ninety (90%) percent of the time under normal operating conditions.
- Under normal operating conditions, subscribers shall not receive a busy signal more than three percent (3%) of the time.

The franchise contains customer service standards related to the operator's local office. These requirements that the ICCA was able to negotiate with the operator include:

- That the operator shall either:
 - Maintain a location in the franchise area which is available for customers to pay their bills and/or exchange equipment, or
 - Establish conveniently-located payment drop boxes in the franchise area and shall, upon customers request and at no charge, exchange equipment by visiting the home of the customer within an appointment window designated by the customer.

The franchise contains customer service standards related to the operator's installation and service call standards. These standards include:

- Installations located up to 150 aerial feet from the existing distribution cable system shall be performed within seven (7) business days after an order has been placed no less than 95% of the time.
- Installation and service calls shall be available at minimum 9 a.m. to 5 p.m. Monday through Saturday.

Our franchise with WOW requires that WOW provide service to any subscriber within the franchise area.

Insurance:

Our franchise contains the following insurance and bonding requirements:

- That the member communities shall not be liable for injury or damage from any cause whatsoever arising out of the operator's construction, maintenance, repair, use, operation, condition or dismantling of the cable system.
- That the operator shall, at its sole cost and expense, indemnify and hold harmless the municipalities from:
 - Any and all liability, obligation, damages, penalties, claims, liens, costs, charges, losses and expenses, including reasonable attorney, expert witnesses and consultant fees and costs, incurred by reason of any act or omission of the operator or its employees and agents.
- That in the event of any action shall be brought against the ICCA or a member community, the operator, upon receiving notice from one of the indemnitees, shall, at its sole cost and expense, defend the same on behalf of the indemnitee.
- That the indemnitee shall provide prompt notice of any action resulting from the franchise, and shall cooperate with the operator in the defense thereof.
- That during the term of the franchise, the operator shall maintain in full force and effect, and at its sole cost and expense, insurance in the following form:
 - Worker's Compensation within statutory limits,
 - Comprehensive commercial general liability insurance with minimum limits of \$3,000,000.00,

- Broadcasters liability coverage with minimum limits at \$3,000,000.00,
- Automobile liability insurance with minimum limits of \$2,000,000.00,
- That the ICCA and the member communities shall be named as additional insureds.
- That the operator shall provide a certificate of insurance as proof of coverage,
- That the operator provide 30-day prior notice of any cancellation or replacement of the insurance,
- That the operator shall obtain the insurance coverage required by the franchise from insurers licensed to do business in the state of Michigan and rated A+ or better by A.M. Best Company.

Right-Of-Way Access:

The cable franchise grants WOW access to the public rights of way and compatible easements for the purpose of providing cable television service. Apart from the franchise, WOW is required to obtain a permit from the appropriate municipal office as well before it may access the public rights of way. WOW is not relieved of the obligation to obtain permits, licenses and other approvals which are required for the construction, repair, or maintenance of the cable system or provision of cable services, including municipal codes and ordinances, zoning ordinances, pavement cut ordinances, curb cut permits and building permits and the like.

Enforcement Provisions:

The WOW franchise agreement provides for the following enforcement mechanisms by which we are able to ensure that the cable operator is abiding by its agreement:

- The municipalities have the right to inspect all construction or installation work and to make such tests as it deems necessary to ensure compliance with the terms of the franchise, municipal code or other pertinent provisions of law.
- The ICCA or the municipalities may audit the operator to verify the accuracy of franchise fees paid.
- In the event of a default in the terms and conditions of the agreement by the operator, the franchise provides for various remedies to the ICCA and the member communities. The remedies include, but are not limited to the following:
 - Civil suit for damages;

- Injunctive relief or specific performance;
- The imposition of liquidated damages of up to \$100.00 per day for each day or partial day of default;
- For a material violation, termination of the franchise.

Complaints from subscribers are directed to the ICCA, and the ICCA works to resolve any problems on an ongoing basis.

The Franchising Process

Under the law, a cable franchise functions as a contract between the local government (operating as the local franchising authority) and the cable operator. Like other contracts, its terms are negotiated. Under the Federal Cable Act it is the statutory obligation of the local government to determine the community's cable-related needs and interests and to ensure that these are addressed in the franchising process – to the extent that is economically feasible. However derived (whether requested by the local government or offered by the cable operator), once the franchise is approved by both parties the provisions in the franchise agreement function as contractual obligations upon both parties.

Our current franchise provides that changes in any section, paragraph, or provision of the franchise shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, or provision shall not affect any of the remaining provisions of the franchise.

Competitive Cable Systems

Our community:

- Does have a mechanism in place to offer the same or a comparable franchise to a competitor upon request.

Conclusions

The local cable franchising process functions well for the Intergovernmental Cable Communications Authority. As the above information indicates, we are experienced at working with cable providers to both see that the needs of the local community are met and to ensure that the practical business needs of cable providers are taken into account.

Local cable franchising ensures that local cable operators are allowed access to the rights of way in a fair and evenhanded manner, that other users of the rights of way are not unduly inconvenienced, and that uses of the rights of way, including maintenance and upgrade of facilities, are undertaken in a manner which is in

accordance with local requirements. Local cable franchising also ensures that our local community's specific needs are met and that local customers are protected.


Local franchises thus provide a means for local government to appropriately oversee the operations of cable service providers in the public interest, and to ensure compliance with applicable laws. There is no need to create a new Federal bureaucracy in Washington to handle matters of specifically local interest.

Finally, local franchises allow each community, including ours, to have a voice in how local cable systems will be implemented and what features (such as PEG access, institutional networks or local emergency alerts, etc.) will be available to meet local needs. These factors are equally present for new entrants as for existing users.

The ICCA therefore respectfully requests that the Commission do nothing to interfere with local government authority over franchising or to otherwise impair the operation of the local franchising process as set forth under existing Federal law with regard to either existing cable service providers or new entrants.

Respectfully submitted,

BEIER HOWLETT, P.C.

By: 
Timothy J. Currier (P28939)
Attorneys for the ICCA

cc: NATOA, info@natoa.org
John Norton, John.Norton@fcc.gov
Andrew Long, Andrew.Long@fcc.gov